

## CALVET HOME LOAN APPLICATION PACKAGE

This package contains instructions for obtaining a CalVet Home Loan. If you are planning to build a new home on property that you currently own or intend to purchase, you will also need to download the Construction Loan Supplemental Package of forms and instructions.

### Before you begin:

You must have a property selected before applying for your loan. We suggest that you carefully review the material on the CalVet Home Loan Program on our web site. If you have questions feel free to e-mail us at [loanserv@cdva.ca.gov](mailto:loanserv@cdva.ca.gov) or contact the nearest CalVet District Office. A list of CalVet District Offices and the areas they cover with complete contact information including direct e-mail address for each office is available on our website at <http://www.cdva.ca.gov/CalVetLoans/Offices2.aspx>.

Optional, but highly recommended: Prequalify for your loan using the **Apply Online** feature on our website. Answering a few questions about your military service, current income, and monthly obligations will confirm your eligibility and give you an estimate of the amount of loan you can qualify for. You can also prequalify by downloading and completing the Prequalification Form available at <http://www.cdva.ca.gov/CalVetLoans/prequal.pdf>. Send the completed form to the CalVet District Office for the area where you plan to buy your home. Keep in mind that prequalification is not the same as loan approval, which generally requires verification of your income and a review of your credit history. If you have concerns about either of these issues please contact us to discuss them.



CalVet uses the Universal Residential Loan Application (URLA), which is also known as FannieMae Form 1003 or FreddieMac Form 65. You can complete and submit this form on our website by clicking on the **Apply Online** button. First complete the Eligibility and Prequalification screens and then proceed to the Loan Application. After you complete and submit the application form, complete the remaining forms in this package and mail them to the CalVet office nearest your property. If you prefer you may obtain an application form from one of our district offices and fill it out by hand.

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The first group of forms listed below contain information about CalVet Home Loans and the application process. Please review the information and contact us if you have any questions.

- **Form C-13: Thank You for Choosing CalVet** - These pages summarize the features and eligibility requirements of the CalVet Home Loan Program.
- **Loan Terms** - This document contains the current loan terms, fees and interest rates.
- **Form L-10: Cal-Vet Home Loan Funding Sources and Safe Harbor Limitations**  
State and federal law place restrictions on the use of tax exempt bonds. This form explains how these restrictions affect Cal-Vet's ability to make home loans to veterans. This form should be read before you apply for a Cal-Vet Home Loan.
- **Form A-1T: CalVet Home Loan Application Instruction Sheet** - These instructions explain how to submit the application forms in this package and what additional information you will need to send to CalVet.
- **Form A-2: CalVet Home Loan Processing Cycle** - This chart explains how CalVet processes a home loan application.
- **Form C-4: Important Notice** - This document provides information about recent changes in the CalVet Home Loan program concerning Loan Guarantees and Loan Processing.

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- **Form L-8: Special Notice Regarding your CalVet Home Loan Application** - This notice explains Internal Revenue Service limitations placed on funds used for CalVet Home Loans for refinancing a home loan. It also contains the notice required by the California Information Practices Act of 1977 concerning how CalVet may use the information that you submit to us.
- **Address List** - This document contains a list of CalVet offices throughout the state along with addresses and telephone numbers.

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The forms listed below must be completed and submitted with your application. If you apply online please mail these forms to the CalVet District Office responsible for your application.

- ❑ **Fannie Mae Form 1003 7/05** – This is the Uniform Residential Loan Application used by most lenders to collect the information necessary for loan processing.
- ❑ **Form C-14: CalVet Home Loan Origination Fee/Funding Fee** - This form allows the applicant to notify CalVet concerning their choices for payment of the Loan Origination Fee and CDVA/USDVA Funding Fee.
- ❑ **Form C-11-3 / V-11: Borrower's Authorization / Verification of Borrower(s) Name(s)** - This form is used to authorize CalVet to obtain verifications of your income, employment, assets, and other credit matters and to verify the exact legal name(s) of the loan applicant or applicants.
- ❑ **Form L-9: Fair Lending Notice** - This notice explains your rights under the Housing Financial Discrimination Act of 1977. Sign this form to show that you have read and understood it and return it with your loan application.
- ❑ **Buyer's Information** - This form provides us with basic information about you and the property you are purchasing that is not included on the application form.

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The following forms are optional:

- ❑ **Form A-3: Designation of Agent and General Release** - You may designate another person to act as your agent in connection with the processing of your CalVet Home Loan application. The use of this form is completely optional.
- ❑ **Real Estate Agent Internet Access Registration** - Complete this form with the assistance of your Real Estate Agent if you want your agent to be able to monitor loan processing status on line and receive email notifications when the status changes.

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**Also available on our website:**

- ❑ **Minimum Property Standards** – This document summarizes the standards that properties purchased with a CalVet Home Loan must meet. If you have questions about these requirements or about whether or not the property you are considering will qualify please contact one of our CalVet District Offices. The document is on our website at <http://www.cdva.ca.gov/CalVetLoans/MPS.aspx> and is also available in our District Offices.



## THANK YOU FOR CHOOSING CAL-VET

You will be pleased with your selection of CalVet financing for the purchase of your home. CalVet has many features and benefits that will save you money and provide protections for you and your investment. We want to make it as convenient as possible for you to apply for a CalVet Home Loan.

- You can apply directly to CalVet at any one of the field offices listed on the following page. If you are not certain which office to contact use the District Office locator on our website at <http://www.cdva.ca.gov/calvet/offices.asp>. You will need to download the second part the application package, [CalVet Home Loans Application Forms](#).
- You can apply online at <https://calvethomeloans.cdva.ca.gov/welcome.html>. First complete the Eligibility screen, and then you can proceed to the Loan Application when you are ready. The additional forms that you need can be downloaded at [CalVet Home Loans Application Forms](#). One of our field offices will contact you to confirm your application, answer any questions you may have, and advise you how to proceed.
- CalVet has trained mortgage brokers statewide that have been certified to originate CalVet Home Loans. A list of brokers is on our website at <http://www.cdva.ca.gov/calvet/brindex.asp>.

If you have a real estate agent, we encourage you to have them be active in the processing of your loan. A form to designate them to act on your behalf is included in our application package, however this is optional. If you have any questions, please discuss them with your real estate agent or mortgage broker. Of course, you may always call us at the district office.

### The CalVet Loan

You must have a property selected before applying for your CalVet Home Loan. If you have not yet selected a property you can still start processing by completing the Eligibility & Prequalification page on our website ( <https://calvethomeloans.cdva.ca.gov/welcome.html> ), or obtain a prequalification form at <http://www.cdva.ca.gov/calvet/prequal.asp> , or at one of our District Offices.

CalVet is an authorized VA lender and can provide a VA guaranteed loan to eligible veterans. You must be eligible for the full VA loan guarantee entitlement. For applicants or properties that are not eligible for VA loans, the Department obtains private mortgage protection at a cost equivalent to the VA loan guarantee funding fee. All loans are retained for servicing by CalVet. Other features of your CalVet Home Loan include the following:

- ☞ **A competitive, below market interest rate.**
- ☞ Maximum loans up to **\$521,250** for houses, condominiums and manufactured homes on land, and up to **\$175,000** for manufactured homes in rental parks.
- ☞ A **1%** loan origination fee (collected in escrow)
- ☞ A **one-time** loan guarantee fee for all loans with down payments of less than 20% which may be paid by the seller or buyer. If the loan is a VA guaranteed loan the funding fee may be financed with the loan. If the loan is guaranteed by the Department's private mortgage protection, the guarantee fee can be financed if you make a minimum down payment of 5% of the purchase price.
- ☞ No down payment for VA guaranteed loans (CalVet/VA), and **3%** for loans using the private mortgage protection program (CalVet97). The loan term is 30 years with shorter terms available upon request.

- ☞ All CalVet properties are covered by the Department's Disaster Indemnity program which provides **low cost** protection against loss due to floods and earthquakes.
- ☞ All applicants under age 62 are required to apply for mandatory life insurance, which provides 1 to 5 years (as determined by the insurance carrier) of principal and interest installments in the event of the death of the insured. Supplemental life insurance, disability coverage, and spousal life insurance are available if desired.
- ☞ Veterans may assign their interest in the CalVet property into joint tenancy with a legally married spouse or a registered domestic partner

### **Eligibility**

Recent changes in the Military & Veterans Code have made most veterans eligible under state law, including those whose entire active service was during peacetime. Federal law restricts Qualified Veterans Mortgage Bond funds to veterans with wartime service who served prior to 1/1/1977 and apply within 30 years from their release from active duty. We currently have a limited amount of funds which are not subject to federal restrictions and are available to all veterans who meet the basic eligibility requirements of the California Military & Veterans Code.

- Applicants who were released or discharged from active duty under honorable conditions are eligible, as are applicants currently serving on active duty. (Active duty solely for training does not qualify). Applicants must have served at least 90 days on active duty, unless:
  - discharged sooner due to service-connected disability, **or**
  - eligible to receive a U.S. campaign or expeditionary medal, **or**
  - called to active duty from the Reserve or National Guard due to Presidential Order.

Current members of the California National Guard or the US Military Reserves who have served a minimum of one year of a six year obligation are also eligible provided they qualify for Qualified Mortgage Bond (QMB) funding which means they must be first time home buyers or purchase in a Targeted area, and comply with income and purchase price limits (please request a copy of Form L-10).

If your loan will be guaranteed by the USDVA you will be required to submit your VA Certificate of Eligibility (Form 26-8320). If you do not have the Certificate our District Offices can assist you in obtaining one.

For all eligibility questions, please call your local district office:

<b>Bakersfield:</b>	866.653.2507	<b>San Diego:</b>	866.653.2504
<b>Fresno:</b>	866.653.2511	<b>Redding:</b>	866.653.2508
<b>Riverside:</b>	800.700.2127	<b>Sacramento:</b>	866-653.2510

You may also reach the California Department of Veterans Affairs at:

**Toll Free Automated Information Number:** 800.952.5626

**Internet Web Site:** <http://www.cdva.ca.gov>



## FUNDING SOURCES

CalVet Home Loans are funded through the sale of tax-exempt bonds. Even though the CalVet Home Loan program has been totally self-supporting and no taxpayer funds have been used to repay its bonds, there are state and federal limitations on the amounts of general obligation bonds that may be sold for the program. Federal laws and regulations resulting from the Mortgage Subsidy Bond Tax Act of 1980, the Deficit Reduction Act of 1984, the Tax Reform Act of 1986, and subsequent amendments, have affected the ways in which all CalVet bond funds may be used. The following paragraphs explain how funds currently available may be used to make CalVet loans.

### **QUALIFIED VETERANS MORTGAGE BOND PROGRAM (QVMB)**

#### ► **Veterans with wartime service**

General obligation bonds are backed by the full faith and credit of the State of California and must be authorized by a vote of the people at a general, statewide election. All general obligation bonds sold to support the CalVet loan program are repaid by CalVet loan holders through the payment of principal and interest on their loans. Under federal law, general obligation veterans bonds may be used to fund loans only to veterans who served on active duty prior to January 1, 1977 who apply within thirty years from their release from active duty, and who received a discharge classified as Honorable or Under Honorable Conditions. Under state law, set forth in the California Military and Veterans Code, the veteran must have served during a qualifying war period or received an armed forces expeditionary medal or campaign medal awarded by the federal government for the period served. Although unremarried spouses of veterans may qualify for CalVet loans under state laws, federal laws prohibit them from being funded with general obligation bond proceeds.

General obligation bond funds may be used to purchase homes (including condominiums), mobile homes on land owned by the applicant and mobile homes in mobile home parks. There are no purchase price restrictions on the properties which can be purchased with general obligation bond funds, nor are there income limitations on the veteran borrower.

### **UNRESTRICTED (PRE-ULLMAN) BOND PROGRAM**

#### ► **All Veterans**

CalVet has a limited amount of funds available for veterans who do not qualify for either General Obligation or Revenue Bonds. Check with your nearest CalVet office for availability of these funds before you commit to the purchase of a property.

### **QUALIFIED MORTGAGE BOND PROGRAM (QMB)**

#### ► **All Veterans and current members of the California National Guard or US Military Reserves**

All veterans who have received a discharge classified as Honorable or Under Honorable Conditions are eligible for QMB funding. QMB funds are usually limited to first time homebuyers, but for 2007 that restriction has been removed. Properties purchased with QMB funds must qualify under purchase price limits established under guidelines provided by the Internal Revenue Service. The purchase price for non-target areas cannot exceed 90% of the average area purchase price for the statistical area or county in which the property is located. If an applicant is purchasing in a targeted area, the purchase price cannot exceed 120% of the average area purchase price for the statistical area or county in which the property is located. The applicant must also qualify under income limits which are issued annually by the U. S. Department of Housing and Urban Development. **PURCHASE PRICE AND INCOME LIMITS FOR TARGET AND NON-TARGET AREAS ARE ON THE BACK OF THIS PAGE.**

QMB loans are available only on single-family residences (including condominiums) and mobile homes on land owned by the applicant.

QMB funded loans may be liable for a federally imposed Recapture Tax if the property being purchased is disposed of (sold) within the first full 9 years following the funding date. This tax is intended to repay the federal government for the benefit of using tax-exempt bonds. There is no Recapture Tax due if the disposition of the property is by reason of the death of the veteran. These provisions governing the uses of QMB funds are dictated by federal laws contained in the Internal Revenue Code.

**National Guard/Reserve Eligibility** - current members of the California National Guard or the US Military Reserves who have served a minimum of one year of a six year commitment, may qualify to receive a loan from QMB funds if qualified under one of the following two categories:

1. "First-time home buyer." A first-time home buyer is defined by the federal government as one who has not owned an interest of record in his/her principal place of residence during the three years prior to closing escrow on the revenue bond funded loan. Both the applicant and spouse, if applicable, must qualify as first-time homebuyers.
2. "Targeted area" purchaser. A targeted area is defined by the federal government as an area of low income or chronic economic distress.

NOTE: All members of the National Guard or the US Reserves who have at any time been ordered to active duty by presidential executive order and discharged are eligible for QVMB, QMB, or Unrestricted funds subject to the requirements listed above.

This chart sets forth the current purchase price limitations and the current income limitations in various areas of the state. **Only loans made with QMB proceeds are subject to these limitations** which are set according to guidelines provided by the federal government. Those administering the CalVet loan program have no discretion regarding these limitations.

**AVERAGE AREA PURCHASE PRICE and INCOME LIMITS  
for QMB Funded Loans Only (Effective 3/17/2008)**

County	Purchase Price Limits				Income Limits				County
	Non-Target Areas		Target Areas		Non-Target Areas		Target Areas		
	New	Existing	New	Existing	1 & 2 Persons	3 or More Persons	1 & 2 Persons	3 or More Persons	
Alameda	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 103,320	\$ 120,540	\$ 103,320	\$ 120,540	Alameda
Alpine	\$ 648,355	\$ 648,355	\$ 792,434	\$ 792,434	\$ 83,280	\$ 97,160	\$ 83,280	\$ 97,160	Alpine
Amador	\$ 525,493	\$ 525,493	\$ 642,269	\$ 642,269	\$ 80,040	\$ 93,380	\$ 81,360	\$ 94,920	Amador
Butte	\$ 473,684	\$ 473,684	\$ 578,947	\$ 578,947	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Butte
Calaveras	\$ 547,697	\$ 547,697	\$ 669,407	\$ 669,407	\$ 73,680	\$ 85,960	\$ 81,360	\$ 94,920	Calaveras
Colusa	\$ 470,723	\$ 470,723	\$ 575,328	\$ 575,328	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Colusa
Contra Costa	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 103,320	\$ 120,540	\$ 103,320	\$ 120,540	Contra Costa
Del Norte	\$ 368,585	\$ 368,585	\$ 450,493	\$ 450,493	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Del Norte
El Dorado	\$ 686,842	\$ 686,842	\$ 839,473	\$ 839,473	\$ 85,200	\$ 99,400	\$ 85,200	\$ 99,400	El Dorado
Fresno	\$ 451,480	\$ 451,480	\$ 551,809	\$ 551,809	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Fresno
Glenn	\$ 340,460	\$ 340,460	\$ 416,118	\$ 416,118	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Glenn
Humboldt	\$ 466,282	\$ 466,282	\$ 569,901	\$ 569,901	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Humboldt
Imperial	\$ 384,868	\$ 384,868	\$ 470,394	\$ 470,394	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Imperial
Inyo	\$ 518,092	\$ 518,092	\$ 633,223	\$ 633,223	\$ 69,000	\$ 80,500	\$ 81,360	\$ 94,920	Inyo
Kern	\$ 436,677	\$ 436,677	\$ 533,717	\$ 533,717	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Kern
Kings	\$ 384,868	\$ 384,868	\$ 470,394	\$ 470,394	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Kings
Lake	\$ 475,164	\$ 475,164	\$ 580,756	\$ 580,756	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Lake
Lassen	\$ 337,500	\$ 337,500	\$ 412,500	\$ 412,500	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Lassen
Los Angeles	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 90,960	\$ 106,120	\$ 90,960	\$ 106,120	Los Angeles
Madera	\$ 503,289	\$ 503,289	\$ 615,131	\$ 615,131	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Madera
Marin	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 135,720	\$ 158,340	\$ 135,720	\$ 158,340	Marin
Mariposa	\$ 488,486	\$ 488,486	\$ 597,039	\$ 597,039	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Mariposa
Mendocino	\$ 606,907	\$ 606,907	\$ 741,776	\$ 741,776	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Mendocino
Merced	\$ 559,539	\$ 559,539	\$ 683,881	\$ 683,881	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Merced
Modoc	\$ 320,980	\$ 320,980	\$ 392,309	\$ 392,309	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Modoc
Mono	\$ 701,402	\$ 569,285	\$ 857,269	\$ 695,792	\$ 79,080	\$ 92,260	\$ 81,360	\$ 94,920	Mono
Monterey	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 77,760	\$ 90,720	\$ 81,360	\$ 94,920	Monterey
Napa	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 95,520	\$ 111,440	\$ 95,520	\$ 111,440	Napa
Nevada	\$ 666,118	\$ 666,118	\$ 814,144	\$ 814,144	\$ 78,120	\$ 91,140	\$ 81,360	\$ 94,920	Nevada
Orange	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 111,600	\$ 130,200	\$ 111,600	\$ 130,200	Orange
Placer	\$ 686,842	\$ 686,842	\$ 839,473	\$ 839,473	\$ 85,200	\$ 99,400	\$ 85,200	\$ 99,400	Placer
Plumas	\$ 485,526	\$ 485,526	\$ 593,421	\$ 593,421	\$ 70,920	\$ 82,740	\$ 81,360	\$ 94,920	Plumas
Riverside	\$ 592,105	\$ 592,105	\$ 723,684	\$ 723,684	\$ 79,920	\$ 93,240	\$ 81,360	\$ 94,920	Riverside
Sacramento	\$ 686,842	\$ 686,842	\$ 839,473	\$ 839,473	\$ 85,200	\$ 99,400	\$ 85,200	\$ 99,400	Sacramento
San Benito	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 93,600	\$ 109,200	\$ 93,600	\$ 109,200	San Benito
San Bernardino	\$ 592,105	\$ 592,105	\$ 723,684	\$ 723,684	\$ 79,920	\$ 93,240	\$ 81,360	\$ 94,920	San Bernardino
San Diego	\$ 825,986	\$ 825,986	\$ 1,009,539	\$ 1,009,539	\$ 94,800	\$ 110,600	\$ 94,800	\$ 110,600	San Diego
San Francisco	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 135,720	\$ 158,340	\$ 135,720	\$ 158,340	San Francisco
San Joaquin	\$ 578,782	\$ 578,782	\$ 707,401	\$ 707,401	\$ 73,560	\$ 85,820	\$ 81,360	\$ 94,920	San Joaquin
San Luis Obispo	\$ 814,144	\$ 814,144	\$ 995,065	\$ 995,065	\$ 80,400	\$ 93,800	\$ 81,360	\$ 94,920	San Luis Obispo
San Mateo	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 135,720	\$ 158,340	\$ 135,720	\$ 158,340	San Mateo
Santa Barbara	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 93,360	\$ 108,920	\$ 93,360	\$ 108,920	Santa Barbara
Santa Clara	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 127,320	\$ 148,540	\$ 127,320	\$ 148,540	Santa Clara
Santa Cruz	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 104,400	\$ 121,800	\$ 104,400	\$ 121,800	Santa Cruz
Shasta	\$ 501,809	\$ 501,809	\$ 613,322	\$ 613,322	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Shasta
Sierra	\$ 337,500	\$ 337,500	\$ 412,500	\$ 412,500	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Sierra
Siskiyou	\$ 347,861	\$ 347,861	\$ 425,164	\$ 425,164	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Siskiyou
Solano	\$ 660,197	\$ 660,197	\$ 806,907	\$ 806,907	\$ 90,480	\$ 105,560	\$ 90,480	\$ 105,560	Solano
Sonoma	\$ 784,539	\$ 784,539	\$ 958,881	\$ 958,881	\$ 93,360	\$ 108,920	\$ 93,360	\$ 108,920	Sonoma
Stanislaus	\$ 501,809	\$ 501,809	\$ 613,322	\$ 613,322	\$ 67,800	\$ 79,100	\$ 81,360	\$ 94,920	Stanislaus
Sutter	\$ 503,289	\$ 503,289	\$ 615,131	\$ 615,131	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Sutter
Tehama	\$ 370,065	\$ 370,065	\$ 452,302	\$ 452,302	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Tehama
Trinity	\$ 320,980	\$ 320,980	\$ 392,309	\$ 392,309	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Trinity
Tulare	\$ 384,868	\$ 384,868	\$ 470,394	\$ 470,394	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Tulare
Tuolumne	\$ 518,092	\$ 518,092	\$ 633,223	\$ 633,223	\$ 69,000	\$ 80,500	\$ 81,360	\$ 94,920	Tuolumne
Ventura	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 102,840	\$ 119,980	\$ 102,840	\$ 119,980	Ventura
Yolo	\$ 686,842	\$ 686,842	\$ 839,473	\$ 839,473	\$ 85,200	\$ 99,400	\$ 85,200	\$ 99,400	Yolo
Yuba	\$ 503,289	\$ 503,289	\$ 615,131	\$ 615,131	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Yuba



### CALVET LOAN APPLICATION INSTRUCTION SHEET

Thank you for your interest in the CalVet Loan Program. These instructions will assist you in completing your application. Staff in the local district office will be pleased to assist you further. Verification and documentation requirements vary for the different CalVet Home Loan programs. Please feel free to contact us if you have questions. **Please note that whenever original documents are requested we will make certified copies and return your originals.**

Check when submitted ↓

1. **Fees**
  - a) **Submit your non-refundable \$50 APPLICATION FEE** in the form of a guaranteed or personal check made payable to the "Department of Veterans Affairs." ☐
  - b) **Appraisal Fee** For existing properties, \$400; for existing condominiums, \$425; for proposed construction, \$450. Please be prepared to pay appraiser directly with certified funds when contacted. If your loan will be VA Guaranteed, we will advise you when to remit payment directly to Cal-Vet.
  - c) **A Loan Origination Fee of 1% of the basic loan, and a funding fee based on your down payment amount will be charged and collected at close of escrow. (See enclosed "C-14" form)**
  - d) **A Loan Guarantee or Funding Fee** is charged on all loans with down payments of less than 20%. See the enclosed C-14 Form.
2. **Submit your completed UNIFORM RESIDENTIAL LOAN APPLICATION (Form 1003).** Note: PLEASE TYPE OR COMPLETE IN INK. Answer all questions completely. Mark questions that are not applicable "N/A." If you are married or have a registered domestic partner, they must also sign the loan application. This form may be completed and submitted on our website at [www.cdva.ca.gov](http://www.cdva.ca.gov) and then printed out for your signature. ☐
3. **Submit verification of all income sources listed on your application.** ☐
  - a) Submit your most recent pay stub(s) covering at least one full month (**originals**), plus your W-2s for the past two years, **OR**, if self employed, submit current year-to-date financial statements including a profit and loss statement and balance sheet, and copies of your federal income tax returns (1040 and Schedule C) for the past two years.
  - b) Submit verification of other types of income; for example: a *current* copy of your Award Letter for retirement, VA compensation or Social Security, or *current* verification of alimony, child support, interest, or dividends.
4. **Submit original statements for the past two consecutive months** for all accounts holding funds for the down payment or closing costs. (Not required if your down payment is 20 % or more.) ☐
5. **Submit a legible copy of your NOTICE OF SEPARATION FROM ARMED FORCES (form "DD214").** If this form does not verify your Cal-Vet eligibility, we will request additional military documentation. Original documents will be returned to you after copies have been made. If you are still on active duty and have never received a "DD214," submit a Statement of Service signed by your commanding officer. ☐
6. **If you are applying for a VA Guaranteed loan with Cal-Vet submit your original VA Certificate of Eligibility (Form 26-8320).** If you do not have a Certificate of Eligibility issued by the United States Department of Veterans Affairs please complete the REQUEST FOR DETERMINATION OF ELIGIBILITY (VA Form 26-1880) included in this application package and submit it with your application. Note: Some veterans are not eligible for both Cal-Vet Loans and VA Loan Guaranties. In order to obtain a Cal-Vet Loan you must meet California veteran eligibility requirements. If you are eligible for Cal-Vet and not for a VA Loan Guaranty, Cal-Vet can still fund your loan. ☐
7. **Property Requirements**
  - a) **Submit copies of the signed ESCROW INSTRUCTIONS AND SALES AGREEMENT, and all AMENDMENTS, together with the REAL ESTATE TRANSFER DISCLOSURE STATEMENT** covering the proposed transaction, executed by all parties. Include any addendums or counter offers. ☐
  - b) **Submit two legible copies of a PRELIMINARY REPORT OF TITLE not more than three months old, with a plat map covering the property.**
8. **DESIGNATION OF AGENT AND GENERAL RELEASE (Form A-3).** This form is OPTIONAL. Submit it if you wish to have an agent act on your behalf and receive all loan correspondence during the processing of your loan. ☐
9. **Sign and return one copy of the FAIR LENDING NOTICE and WORD OF CAUTION (L-9), the BORROWER'S AUTHORIZATION (C-11-3) and VERIFICATION OF BORROWER'S NAME (V-11) Forms.** ☐
10. **Life & Disability Insurance** - All veteran applicants under the age of 62 must participate in the mandatory life insurance program and must complete and submit a medical history statement directly to The Standard Insurance Company. You may apply for optional supplemental life insurance and/or disability insurance, and your spouse or domestic partner may apply for life insurance. The application package will be provided to you at the time you submit your loan application. Additional information and the Medical History Statement are also available on our website. ☐

**THE FOLLOWING ITEMS MAY BE REQUESTED AFTER LOAN APPROVAL:**

11. **TERMITE REPORT.** If the dwelling you are purchasing is more than *one year old or has been previously occupied*, the department will require a termite report and clearance. The report must not be over *four months old*.
12. **ROOF INSPECTION REPORT.** A roof inspection completed by a licensed roofer may be required if *recommended by either the appraisal or the termite inspection report*.
13. **WELL/SEPTIC SYSTEM.** If the dwelling you are purchasing has private water and/or sewage disposal, you may be required to obtain an inspection verifying the adequacy of the systems.
14. **PERMITS/BUILDING CODE COMPLIANCE INSPECTION.** If the dwelling you are purchasing has had additions or substantial remodeling, the department may require copies of building permits or, in some cases, a code compliance inspection and clearance.
15. **SECONDARY FINANCING DOCUMENTS.** If the maximum CalVet loan is not adequate to purchase the property submitted, secondary financing may be permitted to assist in the purchase. The combined Cal-Vet loan and secondary financing must not exceed the appraised value of the property (as determined by the department). If secondary financing is used, you will be required to submit a copy of the Note and Deed of Trust, and CalVet's Subordination Agreement signed by the secondary lender.  
NOTE: Cal-Vet will participate with most Community Housing down payment assistance programs.
16. **CONDOMINIUM/PLANNED UNIT DEVELOPMENT.** If you are purchasing this type of property and the Homeowners' Association of the condominium or planned unit development has not been previously approved by CalVet, you will be required to submit documents governing the development.
17. **MOBILE HOME OR MANUFACTURED HOME ON YOUR LAND.** If you are purchasing this type of property, you may be required to place the mobile home on a permanent foundation and furnish a copy of the recorded HCD Form 433a as evidence that this requirement has been completed. You must also obtain your own fire insurance coverage. Manufactured housing cannot be covered under CalVet's master policy. The home will be covered under the disaster program for flood and earthquake damage. You will be advised of the required amount of coverage after completion of the appraisal.
18. **MOBILE HOME IN A RENTAL PARK. *Maximum Loan Amount is \$175,000.00. The interest rate will be 1% above the current CalVet rate.*** If you are purchasing this type of property, you will also be asked to:
  - a) Submit, in writing, the name of the rental park, and the name and phone number of park manager.
  - b) Submit a copy of the proposed rental agreement, space number and address, amount of monthly space rental, and map of the park.
  - c) Advise whether the mobile home is used or new, and whether the mobile home is already in place on the space. If the mobile home is new, advise when it will be installed on the space.
  - d) Submit a copy of the Sales Agreement (if a used mobile home), or a copy of the Purchase Order (if new).
  - e) If a used mobile home, submit a Formal Title Search from the Department of Housing and Community Development (HCD).
  - f) When the appraisal has been completed, submit a Certificate of Coverage verifying that the mobile home will be insured for the required amount. Also submit verification that a Loss Payable Endorsement, which names the Department of Veterans Affairs as the insured, will be provided in escrow when the loan is funded.
  - g) If the mobile home you wish to purchase has had structural modifications, you may be required to provide evidence that the modifications were completed in accordance with appropriate building codes.
  - h) Provide the name, address, and escrow number of the company handling your escrow. If the escrow company you have chosen is not approved to handle Cal-Vet transactions, your local Cal-Vet district office will advise you.

**MINIMUM PROPERTY STANDARDS:** All properties submitted for CalVet financing must comply with the Department's minimum property standards which are published on the CalVet Home Loans website at [www.cdva.ca.gov](http://www.cdva.ca.gov). A copy is included in this loan application package. These standards are to protect you and the CalVet Home Loan program from conditions that may impact the utility and marketability of the property. Our goal is to assist you in purchasing a property that will be a home for you and your family and an investment in your future.

**CalVet Home Loans and the Department of Veterans Affairs of the State of California do not warrant** the condition, desirability, suitability, or actual value of the property you are purchasing, such determinations being entirely the responsibility of the purchaser. You are encouraged to inspect the property thoroughly, review the seller's/agent's disclosure statements, and obtain any inspection reports that you deem necessary.

**APPEALS**

Persons who disagree or are dissatisfied with actions taken or decisions made regarding their application may appeal to the Division Chief, Farm and Home Purchases Division, P. O. Box 942895, Sacramento, 94295-0001. If the problem is not resolved satisfactorily at that level, it may qualify for an appeal to the California Veterans Board. Further information regarding the appeal procedure is available upon request.





### **Loan Processing Cycle**

- Step 1      Loan application (URLA Form 1003) is received in CalVet office and is reviewed for completeness. (See Loan Application Instruction Sheet for required documents)
- Step 2      After an initial review of your eligibility, credit, and income a letter will be sent to you confirming receipt of your application. You will be advised at that time of any additional items or documentation needed, and the appraisal of your property selection will be ordered.
- Step 3      Upon receipt of the appraisal it will be reviewed and a loan approval letter will be sent to you or your mortgage broker. This document will list any requirements that must be completed before your loan can be funded. In some cases requirements must be submitted before loan documents can be issued to your escrow holder. Whenever possible, requirements will be collected through the escrow.
- Step 4      Your loan package will be forwarded to the Department's Escrow Unit where loan documents and instructions will be forwarded to your local escrow holder. You will be contacted by your escrow holder to sign the CalVet Contract and complete any final purchase requirements.
- Step 5      The escrow holder will return the completed loan documents to CalVet and funds will be issued to close the loan.
- Step 6      Your first CalVet Loan payment will be due on the first of the month occurring 30 days after closing (for example, if you loan closes on May 15, your first payment would be due on July 1).



## **IMPORTANT NOTICE**

**Loan Guaranty:** In order to protect the program from losses should any loan go into default, and to insure that the CalVet Home Loan continues to offer the best possible value to the veterans of our state, the California Department of Veterans Affairs obtains mortgage protection coverage on all loans when the down payment is less than 20% of the purchase price. When the applicant and property are eligible and have their full entitlement remaining, the loan guaranty provided by the United States Department of Veterans Affairs (USDVA) is obtained. In all other cases the Department obtains private mortgage protection. Adding this protection to the CalVet Loan made it possible for us to reduce the cost of the funds that we use, and thereby reduce the interest rate that we charge.

The cost of the VA Guaranty is 1.25 to 3.30% of the amount of the loan and may be paid by the seller or the veteran applicant at close of escrow, or it may be financed as part of the loan. The cost of the private mortgage insurance is 0.63 to 1.38% of the loan amount, and may also be paid by either the buyer or seller, but must be paid at close of escrow and cannot be added to the loan. Both the VA Guaranty and the private mortgage insurance are one-time fees. They do not increase your monthly installment. Form C-14 in this package has additional information and must be completed to indicate how the fee will be paid.

**Interest Rate:** It is important for applicants to realize that the CalVet loan is not technically a fixed interest rate loan. You will be advised of the rate on your loan shortly after your application is received. **The CalVet Contract you sign will indicate that the rate may be increased during the loan term by a maximum of one-half of one percent (0.5%).** This feature of the loan has been retained in order to enhance the rating received on the bonds sold to fund CalVet loans and thereby make lower interest rates possible. Please inquire further if you are not clear on this important point.

CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS  
Farm and Home Purchases Division

## **SPECIAL NOTICE REGARDING YOUR CALVET LOAN APPLICATION**

CalVet loans are funded with proceeds from the sales of both state and federal tax-exempt bonds, at no cost to California taxpayers. Since we finance the program with these bonds, both state and federal laws govern the CalVet loan program.

Except in certain limited circumstances, CalVet is prohibited from refinancing existing loans on real property. Internal Revenue Service regulations prohibit refinancing except for "construction period loans, bridge loans, or similar temporary initial financing." The regulations define temporary initial financing as "any financing which has a term of twenty-four months or less." The 24 months commences with the date stated on the note and deed of trust and ends with the date the loan is due and payable in full. There must be no provisions for extension or renewal. A construction loan should have as short a term as possible which is reasonably consistent with the anticipated construction period, and should not be converted to an interim loan with a term in excess of 24 months.

☞ **YOU MUST FILE YOUR CALVET LOAN APPLICATION BEFORE OBTAINING AN INTEREST OF RECORD IN THE PROPERTY YOU WISH TO PURCHASE WITH CALVET FUNDS.**

☞ **IF YOU INTEND TO OBTAIN TEMPORARY FINANCING, SHOW THIS NOTICE TO YOUR LENDER TO ASSURE THAT YOUR LOAN COMPLIES WITH ALL STATE AND FEDERAL REGULATIONS.**

**CalVet cannot and will not refinance an existing loan which does not comply with these regulations.**

## **INFORMATION**

The California Information Practices Act of 1977 requires that all applicants be informed of the purposes and uses to be made of information solicited. The following is furnished to explain the reasons why information is requested and the general uses to which that information may be put.

**AUTHORITY:** The California Department of Veterans Affairs is authorized to request information under the authority of the Military and Veterans Code of the State of California, particularly Section 987.56.

**PURPOSE:** The information requested is considered relevant and necessary to determine entitlement to and qualification for the benefit for which you are applying.

**USES:** The information will be used in your best interest in determining eligibility for the maximum benefits allowable by law. There is no presently known or foreseeable interagency or intergovernmental transfer which may be made of the information. However, the information may be transferred to a governmental entity when required by state or federal law, and certain other disclosures or transfers may be made as permitted by Section 1798.24 of the California Civil Code.

**EFFECTS OF NOT PROVIDING INFORMATION:** Disclosure of the information is voluntary. No penalty will be imposed for failure to respond. However, your qualifications for the benefit requested must then be made on the basis of the available evidence of record. This may result in a delay in the processing of the application, receipt of less than the maximum benefit, or deferral or complete disallowance of your loan request. Failure to provide information in connection with the benefit currently being sought will have no detrimental effect on any other benefit to which you are entitled.

**RIGHT OF REVIEW:** Individuals have the right of access to records containing personal information on them at all times during regular office hours of the department.

**DEPARTMENT OFFICIAL RESPONSIBLE FOR INFORMATION MAINTENANCE:** District Office Manager

(District Office Address and Phone Number)



To learn more about the  
Life and Disability coverages  
offered with your home loan,  
please contact the Cal-Vet  
Home Loans call center at  
800.952.5626 or Standard  
Insurance Company's  
information line at  
866.825.5796 or talk to  
your Cal-Vet Home Loans  
Field Office Representative.

Cal-Vet Home Loans  
[www.cdva.ca.gov](http://www.cdva.ca.gov)

# Is Your Investment Protected?

## Life and Disability Mortgage Protection Insurance

While the need for homeowners insurance is widely recognized, it's equally important to plan how to cover mortgage payments in the event of death or disability. Consider the following:

- Four out of 10 Americans report their household does not have enough life insurance.<sup>1</sup>
- At age 35, there's a 50 percent chance of becoming unable to work for more than three months due to a disability before age 65.<sup>2</sup>

To best meet your needs for mortgage protection, Cal-Vet Home Loans offers a wide range of Life and Disability insurance coverage through Standard Insurance Company. Depending upon your age and loan origination date, Regular Life and Disability insurance coverages may be mandatory, with a number of other coverage options also available to you.



## Features and Advantages

- Disability insurance provides financial protection to help cover monthly mortgage payments in the event of disability, while Life insurance provides coverage to pay off all or a portion of your mortgage.
- The Standard's plan offers a wide range of coverage options, including Spouse Life coverage to pay off the mortgage in the event of the death of the spouse.
- With coverage from The Standard, you have the peace of mind knowing you're insured with a financially sound and nationally recognized industry leader.
- The Standard offers an easy application process, generally requiring the completion of only one form.
- From the application process through the payment of any claims, both Cal-Vet Home Loans and The Standard are committed to providing you with superior customer service.

Once you complete and submit your application to the Loan Processing Unit at Cal-Vet Home Loans, you will receive a booklet containing additional information about the plans, eligibility, coverage options and rates. We will also provide an enrollment form for you to designate which plans best meet your financial needs. Cal-Vet Home Loans and Standard Insurance Company representatives are available to answer any questions you may have about the plans.

<sup>1</sup> Trends in Life Insurance ownership, LIMRA International, 1999

<sup>2</sup> Society of Actuaries, as referenced in *Money*, April 2000



The California Department of Veterans Affairs currently has offices in the locations listed below. It is suggested that you call the nearest office to confirm office hours before visiting. Any of our offices will be pleased to answer your questions and provide loan application materials. All numbers listed are toll free.

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**Fresno:** **866.653.2511**  
1752 E. Bullard Ave., Suite 101  
93710 **Fresno@cdva.ca.gov**

**Bakersfield:** **866-653-2507**  
5500 Ming Avenue, Suite 155  
93309 **Bakersfield@cdva.ca.gov**

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**Redding:** **866-653-2508**  
1900 Churn Creek Rd., Suite 221  
96002 **Redding@cdva.ca.gov**

**Sacramento:** **866-653-2510**  
1227 O Street  
95814 **Sacramento@cdva.ca.gov**

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**San Diego:** **866.653.2504**  
1350 Front Street, Room 2023  
92101 **SanDiego@cdva.ca.gov**

**Riverside:** **800.700.2127**  
1770 Iowa Avenue, Suite 260  
92507 **Riverside@cdva.ca.gov**

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You may also reach the California Department of Veterans Affairs at:

California Department of Veterans Affairs  
P.O. Box 942895  
Sacramento, CA 94295-0001

Toll Free Information Number: 800.952.5626

Internet Web Site: [www.cdva.ca.gov](http://www.cdva.ca.gov)  
General Information Email address: [loanserv@cdva.ca.gov](mailto:loanserv@cdva.ca.gov)